REMARKS

In the Office Action dated October 13, 2006, the Examiner rejected claims 1, 3-8, 10-16 and 21-25, which are all of the pending claims, under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent 6,209,787 (Lida).

The rejection of the claims is respectfully traversed because Lida does not show or suggest using recognition data, as described in independent claims 1, 3, 10 and 13, to help determine the charge for the use of content data. Accordingly, the Examiner is requested to reconsider, and to withdraw the rejection of claims 1, 3-8, 10-16 and 21-25 under 35 U.S.C. 103(a), and to allow these claims.

As explained in detail in the present application, the instant invention relates to a system and method for charging users for copying or using digital data. In a preferred embodiment, a server machine generates digital data content that is delivered to a client machine. This content may be of several types, such as audio, video, static image, or text; and the content may be delivered to the client machine in various ways, such as over a network, or by a data recording medium. In addition, the server writes "electronic money" into an IC card that can be used to pay for the use of the generated content by the client machine. The client machine then uses the delivered digital data content, and the IC card is used to pay for the use of that data.

The IC card is also provided with data, referred to as recognition data, that helps to identify the type of the digital data used by the client machine. This information is used to help determine how much the user should be charged for use of the data. Charging or payment information can be written into the IC card. Preferably, both the content sent to the client machine and the IC card is provided with this recognition data. In this way, this data can be used

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by the client machine to identify the type of data the object data is, and also the recognition data from the IC card can be used in the payment process.

Each of independent claims 1, 2, 3, 10 and 13 describes this feature of the present invention, and readily distinguishable from Lida under 35 USC § 103(a). In particular, each of the independent claims calls out the features that an IC card includes this recognition data, and that the recognition data are used to identify and determine the charge for the object data sent to the client machine.

Lida is readily distinguishable from the present invention as claimed. Lida discloses a system for purchasing a personal recording media including a first entering unit for entering an identification information in order to identify a customer, and a unit connected to the first entering unit for identifying whether or not the customer is an authorized customer based on the entered identification information. Lida's system further includes a second entering unit connected to the identifying unit for entering a least one designated information by the customer when the customer is identified as an authorized customer in accordance with the identifying unit, a unit for storing a plurality of information, a unit connected to the second entering unit and the information storing unit for reading information associated with the designated information by retrieving the plurality of information in the information storing unit based on the designated information entered by the second entering unit, and a unit connected to the information reading unit for recording the information read from the information storing unit into a predetermined recording media.

Lida does not make use of, suggest or even mention using recognition data. For that matter, applicants respectfully disagree with the Examiner's statement that Lida at col. 2, lines
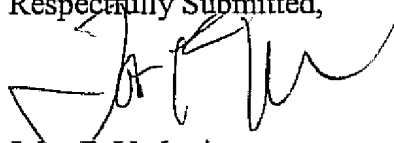
20-40, discloses an IC card including a recording medium for recording (i) charging data for paying for said object data and (ii) recognition data for identifying the type of the object data. A careful reading of Lida's col. 2, lines 40-50 finds that Lida merely discloses a method for purchasing a personal recording media for collecting royalties regarding music in the recording media when purchases an "original compilation recording media." Lida does not disclose, teach or suggest an IC card including a recording medium for recording (i) charging data for paying for said object data and (ii) recognition data for identifying the type of the object data. Accordingly, Lida cannot be said to disclose, teach or suggest applicants' invention as set forth in independent claims 1, 3, 10 and 13.

Because of the above-discussed differences between claims 1, 3, 10 and 13 and Lida, and because of the advantages associated with these differences, claims 1, 3, 10 and 13 patentably distinguish over Lida and are allowable. Claims 21, 24 and 25 are dependent from, and are allowable with, claim 1; and claims 4-8 are dependent from claim 3 and are allowable therewith. Also, claims 11, 12, 22 and 23 are dependent form claim 10 and are allowable therewith; and claims 14-16 are dependent from, and are allowable with, claim 13.

The other references of record have been reviewed, and these other references, whether considered individually or in combination, also to not disclose or suggest the use of this IC card as described in Claims 1, 3, 10 and 13. The Examiner is, accordingly, respectfully asked to reconsider and to withdraw the rejection of claims 1, 3-8, 10-16 and 20-25 under 35 U.S.C. 103(a) in view of Lida, and to allow these claims.

If the Examiner believes that a telephone conference with applicants' attorneys would be advantageous to the disposition of this case, the Examiner is asked to telephone the undersigned.

Respectfully Submitted,

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